1	carriage and the terms of carriage that you
2	would want.
3	MR. FELD: Yes, Your Honor, there
4	- is a letter transmitting a carriage offer from
5	in DEMAND to the Complainants in that case.
6	JUDGE SIPPEL: iN DEMAND, do they
7	constitute the Defendants in this case in
8	another context?
9	MR. FELD: That will be a matter I
10	think we will explore. in DEMAND
11	JUDGE SIPPEL: Or what the
12	relevance is that if it's not, I mean if iN
13	DEMAND
14	MR. FELD: iN DEMAND is the
15	programming producer both here and in that
16	case. The reason why these Defendants are the
17	Defendants is because through their
18	affiliation and control of iN DEMAND and the
19	in DEMAND partnership, they are the carriers
20	affiliated with this programming for the
21	purposes of the complaint here.
22	In the matter of the program

access complaint, there was the same issue.

There was a requirement of affiliation in order to trigger the program access complaint that arose in precisely the same factual situation. in DEMAND was as much or as little of the party in question here as there.

The evidence of what constituted the terms that were considered to be fair terms for carriage of what we say is the similarly-situated programming would seem to be relevant.

Furthermore, they formed a basis for the testimony and the request for a remedy. We present this as what is the evidence of our foundation when they wish to ask us well, why do you think that's a fair remedy? We would like to be able to respond well, because in these publicly-available documents, we had in DEMAND, the producer of the programming, the similarly-situated programming say well, this is what we think is a reasonable offer. We think that it's,

again, a matter that Your Honor can decide, whether that has substantial weight or not. We present it here because we're required to present it here.

We can come back during the course of the hearing and present what pieces may seem necessary which seems to be what Mr. Cohen is suggesting, rather than have a ruling now on whether to include it or not or not to include it designated it for and administrative convenience as an exhibit to and discuss these broader move in now objections, but we are prepared to introduce it at later phases as may seem relevant, if that would be of assistance.

JUDGE SIPPEL: Well, what you're suggesting, the latter part of your statement leaves me a little bit nervous. But let me ask you this. If you got the basis -- could this be something that could be stipulated, that if you succeeded on the merits of part one, you know, the discrimination issue, then

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1	this is what you would be seeking in terms of
2	basically, it's the carriage terms and the
3	rate that basically that's it, isn't it? It's
4	money in terms of carriage.
5	MR. COHEN: Your Honor, there are
6	two problems. This first of all
7	JUDGE SIPPEL: Well, let me first
8	ask
9	MR. COHEN: I'm sorry, Your Honor.
10	MR. FELD: It would certainly suit
11	us to stipulate what our proposed remedy would
12	be on the assumption that we are successful in
13	our phase one showing of liability and simply
14	stipulate as to what we think the appropriate
15	remedy would be.
16	MR. COHEN: Your Honor, we're not
17	going to stipulate to the remedy. It's not a
18	realistic offer on the other side of the
19	table.
20	There was another problem I did
21	not address not to be repetitive. These were
22	withdrawn complaints. These were dismissed

with prejudice. With respect to terms of carriage of iNHD. The allegation on the other side is that iNHD and Mojo -- we disagree with that, but their allegation is that iNHD and Mojo were fundamentally different services. So what the terms of carriage -- if they succeed in getting to the remedy phase, they're seeking to offer not what Mojo commanded in the marketplace, but what a service which they say is not similarly situated commanded in the marketplace.

So now I'm totally confused. I don't think it's appropriate to put it in at this point in time. We can -- if we can get to it -- I understand their argument. They're arguing that the rate that they say is fair and reasonable should be set in part by reference to what iNHD and/or Mojo, they're really saying Mojo, Mojo commanded with respect to these Defendants. Nobody is trying to stop them from making that argument. They can elicit that through testimony.

I don't think there's going to be 1 a tremendous factual dispute about what those 2 terms were. I don't know what that has to do 3 with these complaints and there's prejudicial 4 material in here. There's all sorts of 5 allegations about satellite services, that 6 7 there was discrimination by iN DEMAND. Ιt doesn't belong in the record in this case. 8 SIPPEL: Do have 9 JUDGE you something to say, Mr. Becker? 10 MR. BECKER: Yes, I just want to 11 add on behalf of Bright House Networks, Bright 12 House Networks has a five percent ownership 13 interest in the iN DEMAND entity. It's not 14 our alter ego. We don't control it. 15 the notion that the WealthTV counsel 16 offering that whatever in DEMAND does or did 17 should be imputed to Bright House and again, 18 I'm speaking with respect to the client that 19 I represent without implying anything about 20 any other Defendant, is crazy. 21

And not only are they talking

Τ ,	about, as Mr. Conen said, what they say is a
2	different program service, that is iNHD as a
3	benchmark for what they should be paid, but
4	they're also talking about the actions of
5	parties who are other than the parties who are
6	here before you. And that is the parties I'm
- 7	referring are Echo Star, DIRECTV AND iN
8	DEMAND. in DEMAND is not Bright House
9	Networks. And it's not our agent. We don't
10	control it. And so whatever in DEMAND might
11	have done certainly shouldn't bind Bright
12	House in any way at all.
13	JUDGE SIPPEL: Well, what you were
14	suggesting, you just had like a limited
15	partnership interest in it or something like
16	that?
17	MR. BECKER: I believe that's the
18	structure, yes.
19	JUDGE SIPPEL: I'm bothered by,
20	obviously, getting to the nub of the
21	situation, I'm bothered again by whether we're
22	talking about apples and oranges here. I

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think that the thing to do would be to let you put your case on. I assume there's going to be mix throughout the testimony, but let's take the relevance of your proffer at the time.

I hope I'm not confusing more than clarifying. My point being that to put in a group of documents that relates to other things, other parties outside the scope of this case and then try and pull that in as relevant to -- really becomes a very narrow issue. If you don't stipulate on remedy, then there's a lot of nitty gritty there, but I don't think you can just rely -- that you can just try and pull it in from some place else.

So again, for practicality purposes, for purposes of even efficiencies of handling this case, at this point, I'm inclined not to receive it. Now there may come a way that you can break it down at a later point and show that it is directly relevant. For example, if it shows an

inconsistency on the part of party or parties 1 2 here who controlled another entity, but I'm hoping we don't have to get to that. 3 just trying to keep this case on track. - 4 Go ahead, Ms. Wallman. 5 WALLMAN: Perhaps I could MS. 6 7 simplify this in anticipation of your, think, where your inclination is headed. 8 We had agreed that we would not 9 specify Defendants and Complainant had agreed 10 11 that we would not specify exhibits that would This may be an be used in cross examination. 12 exhibit that we'd like to use in cross 13 examination and we'll look for an opportunity 14 to do so, just by way of clarification --15 JUDGE SIPPEL: That's fine. 16 MS. WALLMAN: -- the reason that 17 we're constrained to look at things like this 18 is that we had hoped to point Your Honor to a 19 carriage contract between Mojo and one or more 20 of the Defendants or between iNHD and one or 21

more of the Defendants, but apparently those

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don't exist. And so we've looked for other things that we can point to in the event that we do need to prove a remedy.

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But at this point, I think what we'll do is we'll look for opportunities to examination, these exhibits in cross with perhaps MΥ. Asch and bν wav clarification, we certainly understand that Bright House is a small owner of iN DEMAND. The four Defendants together are 100 percent connects up with So that owners. relevance of why we have been trying to do this and we'll look for an opportunity using the terms of cross examination.

JUDGE SIPPEL: That makes great sense. And yes, you don't have to identify at this point now everything you're going to use in cross examination. Cross examination should not be any -- as I said, I don't want an ambush. There should be documents that the other side has seen and you got from them.

MS. WALLMAN: I think we've made

1	sure of that in this case, Your Honor.
2	JUDGE SIPPEL: Thank you. All
3	right, so again, I'm denying the motion as
4	it's a motion to receive that and that was
5	the motion to receive what was it?
6	MS. WALLMAN: That was C, D, E, F,
7	we have discussed. The motion did cover G, H,
8	and I.
9	MR. COHEN: I'm prepared to
10	address, Your Honor. G, H, and I are a
11	thousand pages worth of financial information.
12	JUDGE SIPPEL: Let me just rule on
13	the record that C, D, E, and F at this time
14	are the motion to receive them into
15	evidence at this point is denied. It would
16	leave for you to attempt to use them in cross
17	examination as you see fit.
18	(Whereupon, the above-referred to
19	documents were marked as Exhibits
20	C, D, E, and F for
21	identification.)
22	MS. WALLMAN: Thank you, Your

1	Honor.
2	JUDGE SIPPEL: And now we're on
3	MR. COHEN: G, H, and I are
4	various financial documents for Time Warner
5	and Comcast. There are about a thousand pages
6	in the aggregate.
7	JUDGE SIPPEL: I don't mean to cut
8	you off, but those are the FCC filings?
9	MR. COHEN: No, Your Honor.
10	JUDGE SIPPEL: I mean the SEC
11	filings.
12	MR. COHEN: SEC filings.
13	JUDGE SIPPEL: Securities and
14	Exchange Commission.
15	MR. COHEN: My only objection
16	here, Your Honor, is we don't see any reason
17	to burden the record with a thousand pages.
18	If there's a relevant page or two from those
19	filings, I'm sure they constitute admissions
20	of Time Warner and Comcast. We have no
21	objection to receiving them. We don't see any
22	reason to dump in a thousand pages of I

don't want to say worth the poor tree side of
the -- we've killed a lot of trees in this
case, but we don't see putting in a thousand
pages. We think that's just going to confuse
the record.

So if there are specific pages in
these financials that they think are relevant

So if there are specific pages in these financials that they think are relevant and constitute admissions, we would not object to that, but we don't see the reason to dump in a thousand pages.

Your Honor, if I may be MR. FELD: perhaps overcautious in wanting to be sure that all of the information that we might want to use would be available, that there would be We're certainly happy to surprises. proceed with these exhibits, G, H, and I, that as they arise we will introduce or seek to introduce relevant portions that would be forward in that admissions and to move fashion.

JUDGE SIPPEL: Yes, if some executive got a new pair of shoes as a bonus

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1	or something, I don't really care about that.
2	But yes, the financials are good information.
3	Certified financials, the kind that Mr. Madoff
4	filed.
5	(Laughter.)
6	The real deal. I'm not making
7	light of 10Ks and 10Qs and publicly-traded
8	companies. So we're in a whole different
9	ballpark. I'm just trying to inject a little
10	humor into this.
L1	(Laughter.)
12	It's important stuff. It's
13	important stuff. All right, then we'll take
14	it as it comes. Fair enough?
15	MR. COHEN: Thank you, Your Honor.
16	JUDGE SIPPEL: So again, I'm not
17	denying the motion, I'm just reserving on it
18	until you have further specification of the
19	parts of the Securities and Exchange
20	Commission filings.
21	Thank you very much.
22	(Whereupon, the above-referred to

1	documents was marked as WealthTV
2	Exhibits G, H, and I for
3	identification.)
4	Now that-leaves us what with
5	MR. FELD: Now we're on one.
6	(Laughter.)
7	JUDGE SIPPEL: All right.
8	MR. ROSE: If there's no objection
9	to 1, you'll be happy to know that objections
10	to 1 through 5 were withdrawn last night.
11	There are actually five things we have agreed
12	on.
13	JUDGE SIPPEL: Let's find out the
14	exhibits let's see what we're dealing with.
15	We're dealing with Volume 1 of WealthTV's
16	hearing exhibits, one of three volumes. And
17	we're talking about exhibits tabbed 1 through
18	33. Are we all on the same page with that?
19	MR. COHEN: Yes, Your Honor.
20	JUDGE SIPPEL: And you know what
21	I've done. Again, I have tripped over another

log here.

1	Mr. Schonman, I haven't asked you
2	whether you have any position on these
3	rulings. Are you satisfied? Do you take a
4	position?
5	MR. SCHONMAN: I had a position.
6	I'm satisfied with your rulings thus far.
7	(Laughter.)
8	JUDGE SIPPEL: All right, I'll
9	take that as a vote of confidence. That's at
10	my own risk.
11	All right, and also before we
12	start, what the heck is Mojo? I think I know
13	what it is, but is it in your glossary? Is it
14	identified in your glossary, described in your
15	glossary?
16	MR. ROSE: If I may, Your Honor.
17	JUDGE SIPPEL: Yes, sir.
18	MR. ROSE: Mojo is simply the
19	programming channel that was developed by
20	iNHD, the joint venture among these Defendants
21	that our client contends is essentially the
22	channel they carry on more favorable terms.

1.	They favored them in discriminating against
2	WealthTV, that's the basis of the complaint.
3	MR. FELD: And we really there
4	are some factual issues that will be
5	determined here at trial as to whether Mojo
6	constituted a different channel from iNHD.
7	Defendants say that it was the same channel
8	and iNHD, but was retooled and rebranded. We
9	understand that is to be a factual issue at
10	trial, but Mojo refers to the programming
11	which we have said is substantially similar to
12	that of our client, WealthTV, and which we
13	allege was given preferable treatment to the
14	detriment of WealthTV.
15	JUDGE SIPPEL: All right, now I
16	can understand that. So Mojo is not a it's
17	not a distributor, it's a producer.
18	MR. ROSE: Mojo is a channel
19	that's produced by iNHD, I'm sorry iN DEMAND.
20	MR. FELD: Your Honor, IF i MIGHT.
21	JUDGE SIPPEL: Let him finish.
22	MR. HARDING: iN DEMAND, LLC is a

1	joint venture owned by the four Defendants in
2	this case. iN DEMAND's principal business is
3	offering pay-for-view movies on a
4	transactional basis to various cable and
5	satellite distributors, offering prize fights,
6	that sort of thing; transactional, in other
7	words, you pay per program. That's their
8	principal business. And they've been doing
9	that for some amount of years.
10	JUDGE SIPPEL: Is that kind of a
11	la carte concept?
12	MR. HARDING: It's like pay-per-
13	view or video-on-demand, as it's known in the
14	industry now. So you pay for each movie that
15	you order on a transactional basis. That's
16	their principal business.
17	JUDGE SIPPEL: I hear it.
18	MR. HARDING: They then developed
19	two channels of linear programming called iNHD
20	and iNHD2 which ultimately were iNHD
21	transformed into Mojo and iNHD2 went off the
22	air. So they're programming networks, Mojo.

1	JUDGE SIPPEL: So the linear
2	programming of iNHD and iNHD2 was in effect
3	either taken over by or transferred to Mojo.
4	MR. HARDING: And became Mojo,
5	correct.
6	JUDGE SIPPEL: And Mojo consists
7	of the same four parties?
8	MR. HARDING: Mojo is owned and
9	was created by iN DEMAND, LLC which is
10	ultimately owned by the four Defendants.
11	MR. SOLOMON: Your Honor, Mojo is
12	just the name of the channel. It's owned by
13	in DEMAND.
14	JUDGE SIPPEL: It's the name of
15	the channel.
16	MR. COHEN: In the same way that
17	WealthTV is the name of the Complainant's
18	network. That's really the best way to think
19	about it.
20	MR. HARDING: Or HBO or ESPN or
21	any other channel that you might be familiar
22	with.
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1	MS. WALLMAN: In this context,
2	Your Honor, the term network is sometimes used
3	interchangeably with channel.
4	JUDGE SIPPEL: Correctly or
5	incorrectly?
6	MS. WALLMAN: Commonly.
7	JUDGE SIPPEL: Commonly. That
8	doesn't answer the question.
9	MS. WALLMAN: Correctly, I
10	believe.
11	JUDGE SIPPEL: Correctly. So
12	network and channel are interchangeable in a
13	generic sense.
14	MR. ROSE: But we mean the
15	difference between a channel is content that
16	they carry and the cable companies operate
17	systems to carry the content which could also
18	be referred to as networking sometimes.
19	JUDGE SIPPEL: Well, I understand
20	the difference. You mean the vertical I
21	mean all of this comes down to the vertical
22	control by well, the four Defendants through

1	in DEMAND of Mojo. Is that am I walking
2	down the path right?
3	MR. FELD: Yes, that's correct.
4	That is the affiliation to which the parties
5	have stipulated that through their joint
6	partnership of iN DEMAND they are owners as
7	the FCC has defined that term, having
8	attributable interest in the network Mojo.
9	JUDGE SIPPEL: And WealthTV, I
10	take it, is simply a program producer. You're
11	not a what is it, an MOS or MSO.
12	MR. FELD: MSO. Right. That is
13	correct, Your Honor. WealthTV is a program
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14	producer. It does not own transmission
14 15	producer. It does not own transmission facilities. It produces programming and
15	facilities. It produces programming and
15 16	facilities. It produces programming and contracts with other entities to distribute
15 16 17	facilities. It produces programming and contracts with other entities to distribute the programming.
15 16 17 18	facilities. It produces programming and contracts with other entities to distribute the programming.  It is a video vendor, as defined
15 16 17 18 19	facilities. It produces programming and contracts with other entities to distribute the programming.  It is a video vendor, as defined in Section I believe it's Section 616 which

the right starting block, is it -- what kind of -- generally, what kind of programming is it? We know like last week, we had the NFL and sports. That's easy. What is the type of programming that we're talking about for WealthTV?

MR. FELD: As Your Honor will discover that will be one of the issues that will be litigated in the case. Certainly we maintain and continue to maintain that WealthTV produces high definition programming for the -- primarily for males ages 25 through 49 earning \$100,000 a year or more in income.

Now we also understand that and certainly expect that other people will find that programming interesting and there will be considerable testimony about that and what it means, but the type of programming that is produced are generally shows about adventure travel, cars, tech gadgets, high-end living, things that would be of interest to those who either are earning that kind of money,

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particularly men who are earning that kind of money and have that disposable income, or those who wish they had that kind of money.

JUDGE SIPPEL: Thank you.

MR. COHEN: Your Honor, there's going to be a considerable disagreement. I don't want to burden the Court with arguments, but the network, you will hear during the examination has described itself in lots of different ways. We think of it as mostly being programming about wealth.

JUDGE SIPPEL: That's WealthTV.

It's not a men's COHEN: MR. network in our judgment. We don't think we should be having the argument now. going to be lots of testimony and lots of argument about that during the course of the trial, but it is the Defendants' position that this is not a network that is designed You will hear a lot of primarily for men. the programming the testimony about don't think this is network. Ι an So

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appropriate time to have an extended argument 1 2 about it. JUDGE SIPPEL: I'm not looking for 3 4 an argument. MR. COHEN: We just don't agree 5 about what the network it. 6 JUDGE SIPPEL: Where are we going 7 with this -- is the 25 to 49, is that -- does 8 9 anybody have any problem with that? MR. COHEN: I don't think there's 10 of that, Your Honor. 11 adequate proof the 25 to 49 argument, Ultimately, 12 principal argument turns on the combination of 13 25 to 49 and it being programming targeted 14 because Mojo is network а 15 towards men, targeted towards men. It is the Complainant's 16 position that WealthTV was always targeted 17 towards men and we think we will demonstrate 18 convincingly in the course of this proceeding 19 that it was not and we'll prove it out of 2.0 their own documents. 21

JUDGE SIPPEL: I was curious about

1	that because in the other NFL case, I didn't
2	meet the cut either. Nobody cared about me
3	from the and I don't think anybody is going
4	to care about me from
5	MR. COHEN: We're going to find
6	some programming for over 49 which I'm in as
7	well. I'm in your category here. We're going
8	to find some over 49 programming here.
9	MS. WALLMAN: Your Honor, the
10	reason that this matters at all is that the
11	competition for the target demographic which
12	we contend exists between WealthTV and Mojo is
13	central to our case and central to our proof.
14	I referred earlier to some
15	conflict in testimony about Mojo's
16	demographic, whether it's 18 to 49 or 25 to
17	49, so this is a key issue in the case.
18	JUDGE SIPPEL: Okay, well, that's
19	good to know up front too. But all right,
20	okay, you've told me. There was no
21	disagreement in the NFL case about the male
22	audience being the primary thing, but I take